United States Army Internal Review Program

Local Solutions to Local Problems

Internal Review is a Command and Control Function!

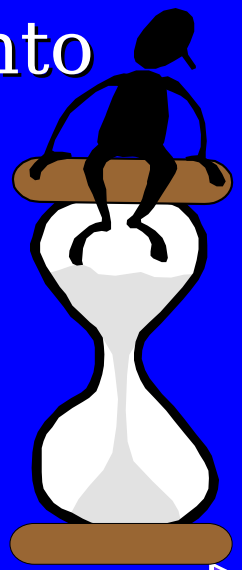
Reports directly to the Commander, Principal Deputy Commander or Chief of

Internal Audit

is the ultimate management control for it enables management to evaluate all other controls.

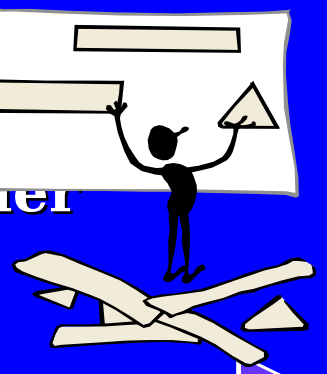
History

- IR grew out of command's needs to maintain accountability.
- 1946 - IR spaces pulled into HQDA to form US Army Audit Agency.
- 1947 - Commanders reestablish IR to solve problems locally.

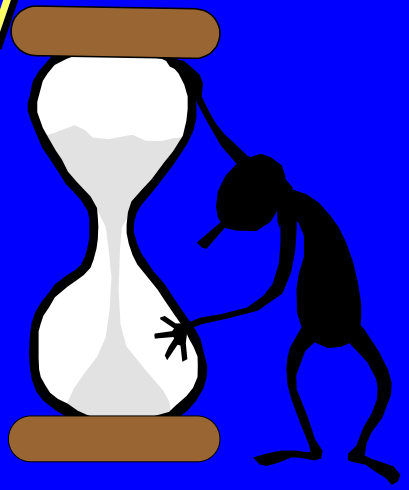


Historical Events

- **1947 - 1983 - Local problem solving/ accountability reviews - No standards employed**
- **1980's - "Professionalized"**
- **1983 - Removed from RM to assure independence**
- **1993 - IR supports Desert Shield/Storm**
- **1997 - ASA(FM&C) Rejects Command Audit (FORSCOM)**
- **1990's - Reengineered progra**
- **1999 - Additional Skill Identifier**



Overview



- Customers
  - Local Commander
  - Commander's Staff
  - Tenant Commanders/Managers
- Location
  - Owned by Local Commanders
  - Installation, MSC, MACOMs, DA Staff levels
  - Active Component, Guard, Reserves

IR Satisfies NPR

"Consider for a moment the frustration and the vulnerability of an agency head who wishes to look quickly at an emerging financial problem, but has to wait until it has grown into a scandal because the auditors are under someone else's control . . ."

"Therefore, managers need to create their own capacity to audit internal operations and ensure compliance . . ."

NPR Audit Goals

Auditors ". . . should see their mission as not only to identify problems, but to get them solved."

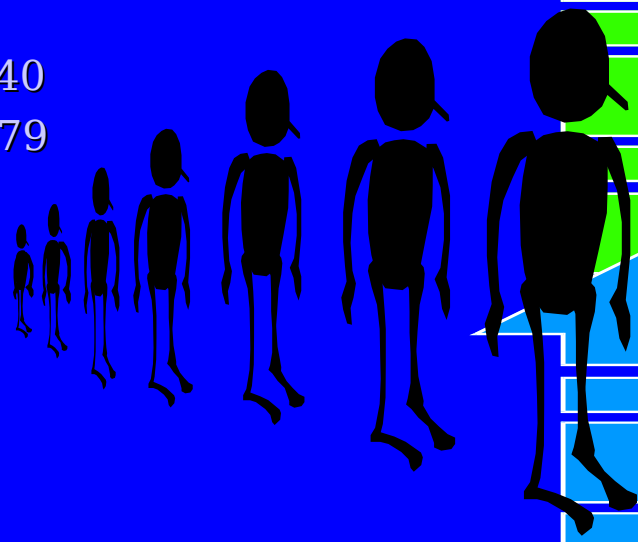
". . . to maintain objectivity, . . . recommendations must be viewed by program management as being free from outside influence."

By The Numbers

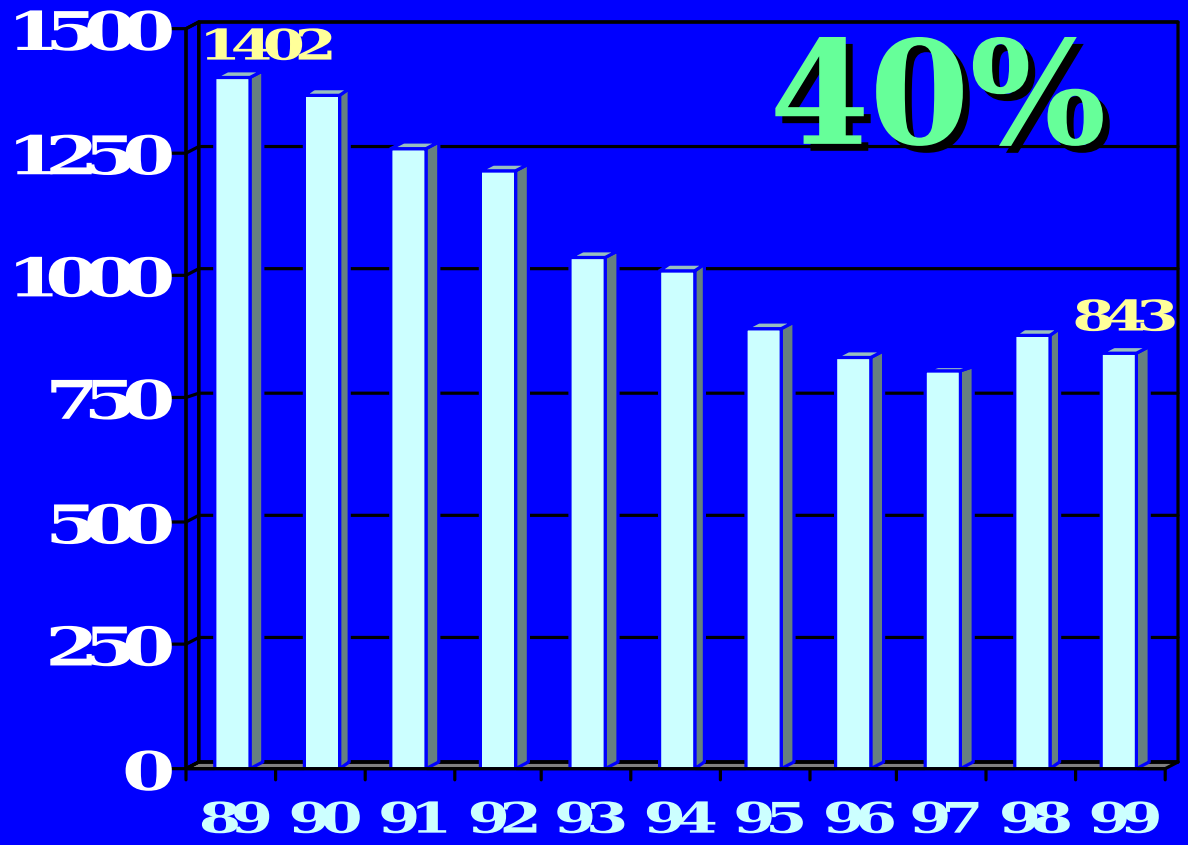
- 283 IR Offices Army-wide
- Avg IR office staffing - 3 auditors
- Professional series - GS-511
  - Required 80 hours of CPE every two years
  - Training of IR auditors is a responsibility of The Auditor General

By The Numbers

- **IR Staffing**
  - Authorized Spaces - 1,226
  - Assigned - 923 (75%)
    - Professionals Assigned - 840
    - Support Staff Assigned - 79
    - Other - 4
- **Staff Composition**
  - Civilian - 736
  - Military - 187
    - AC - 5
    - RC - 182
      - Guard - 81, USAR 100, ODCSOPS - 1
  - Full-time - 749 Part-time - 174



Staff Reductions



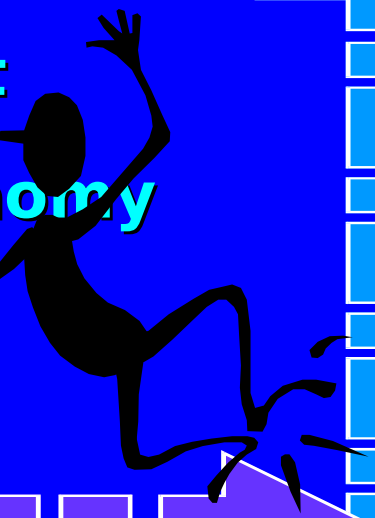
Services

- Formal (Full Scope) Audits
- Quick Response Audits
- Consulting & Advisory Services
- Liaison
- Audit Compliance & Follow-up

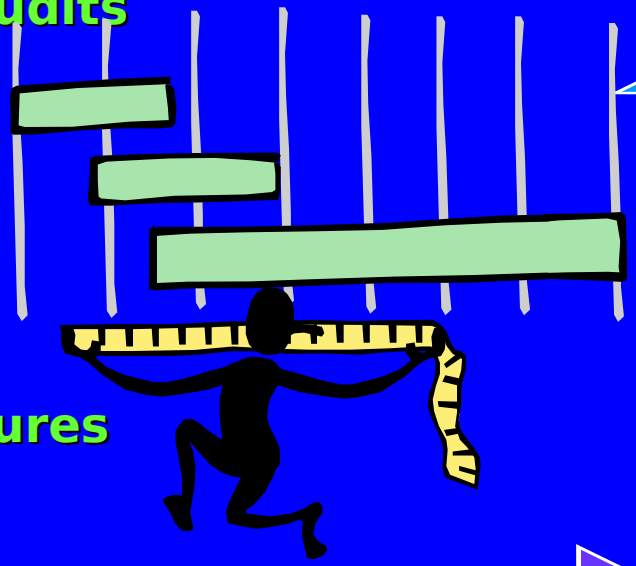
MISSION

Our mission is to provide a professional internal audit capability and deliver pertinent, timely and reliable information and advice to Army leaders that:

- **Evaluates risk**
- **Assesses management controls**
- **Improves quality, economy and efficiency**
- **Fosters stewardship**



- Based on Strategic Plans (94, 96, 98)
- Highly Successful!
- PATs Led by IR Professionals!
  - Quick Response Audits
  - Consulting
  - Quality Control
  - Planning
  - Reporting
  - Marketing
  - Performance Measures



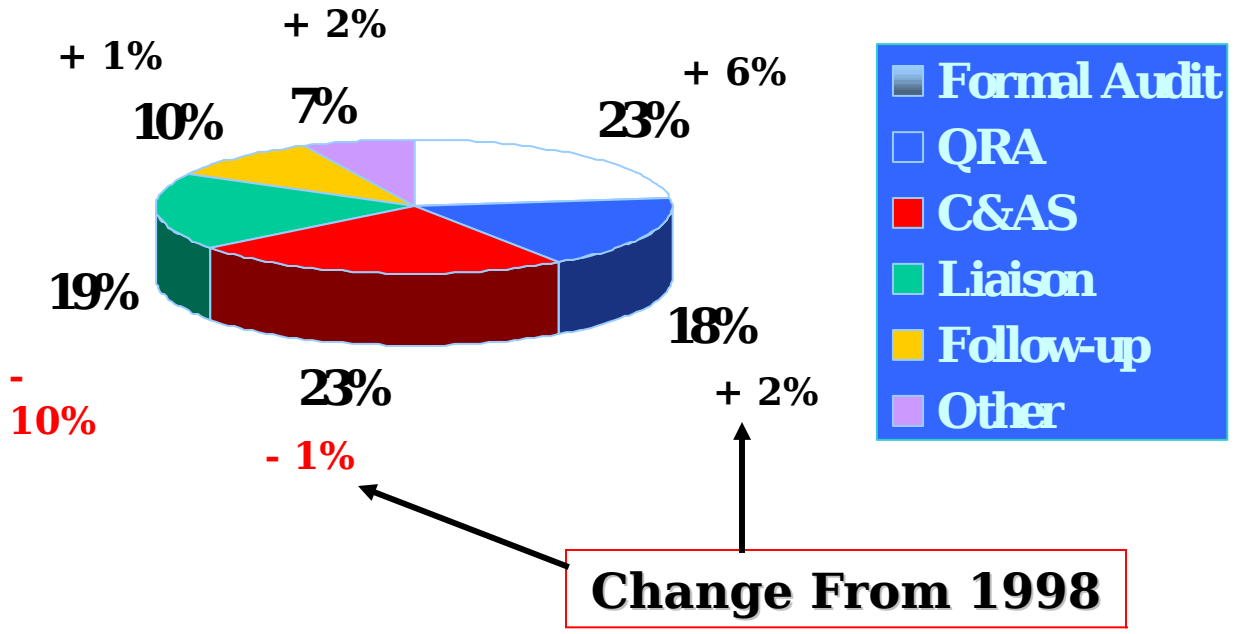
As a world-wide community of professionals, we meet the changing needs of the Army by providing the most responsive, timely, and flexible internal audit and related advisory services to Commanders.

Strategic Goals

- Be a valued member of the management team
- Identify current and emerging needs of customers
- Deliver quality services that add value and meet or exceed customers' expectations
- Enhance IR staffs' professional capabilities

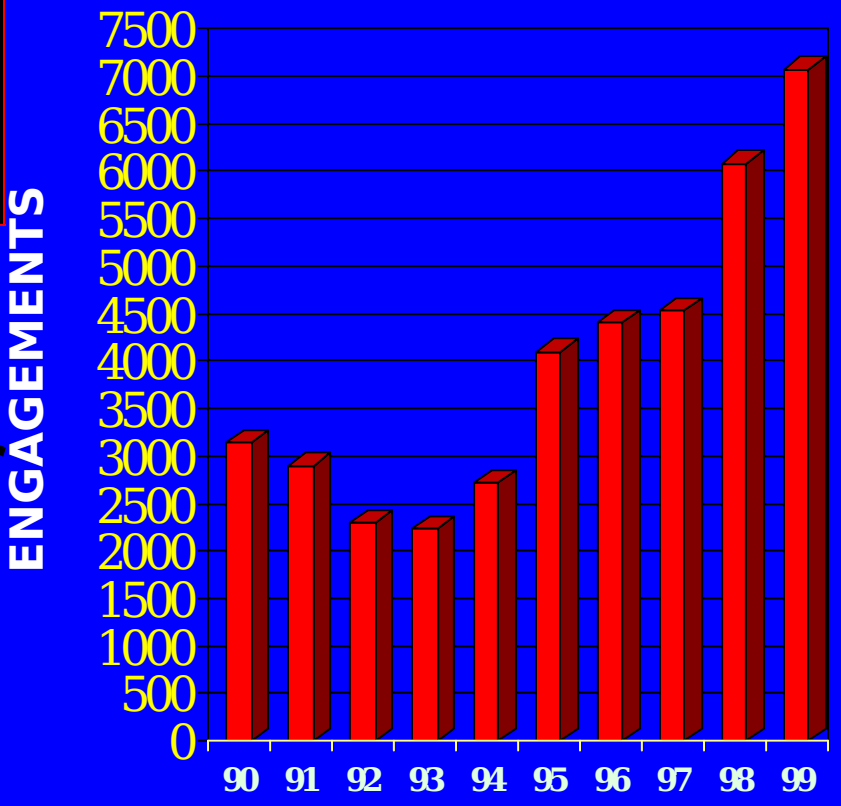
Workload

1999 Engagements



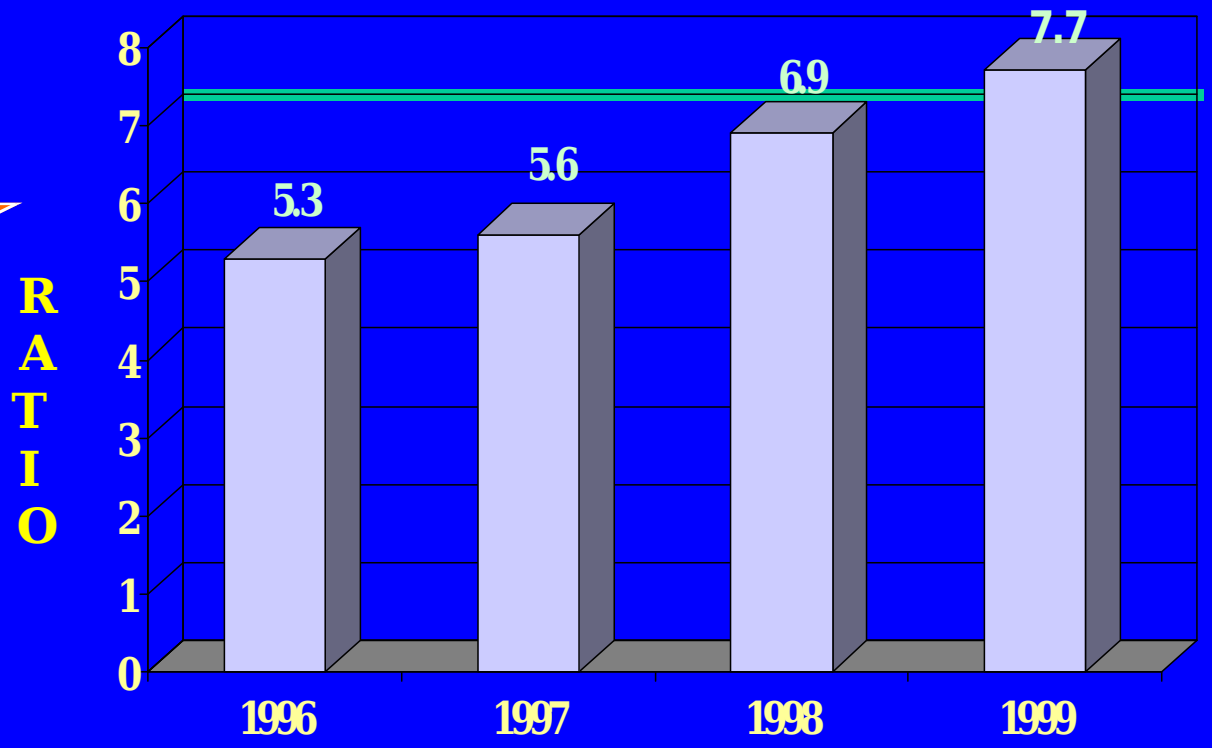
Productivity

316% Increase Since 1993



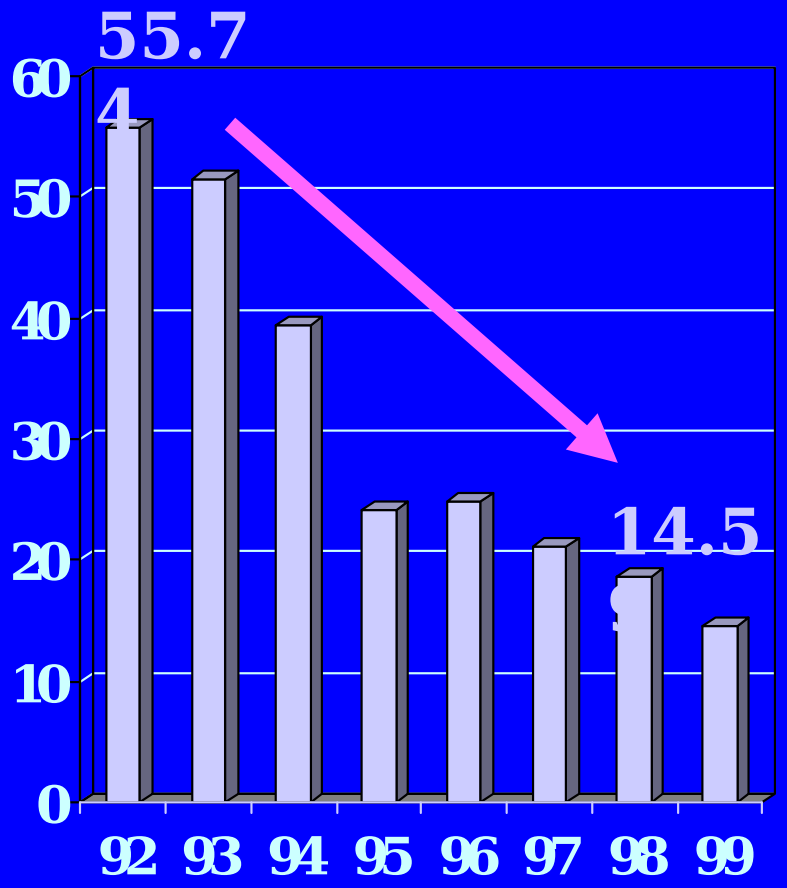
Productivity Per Auditor

Goal - 7 to 1

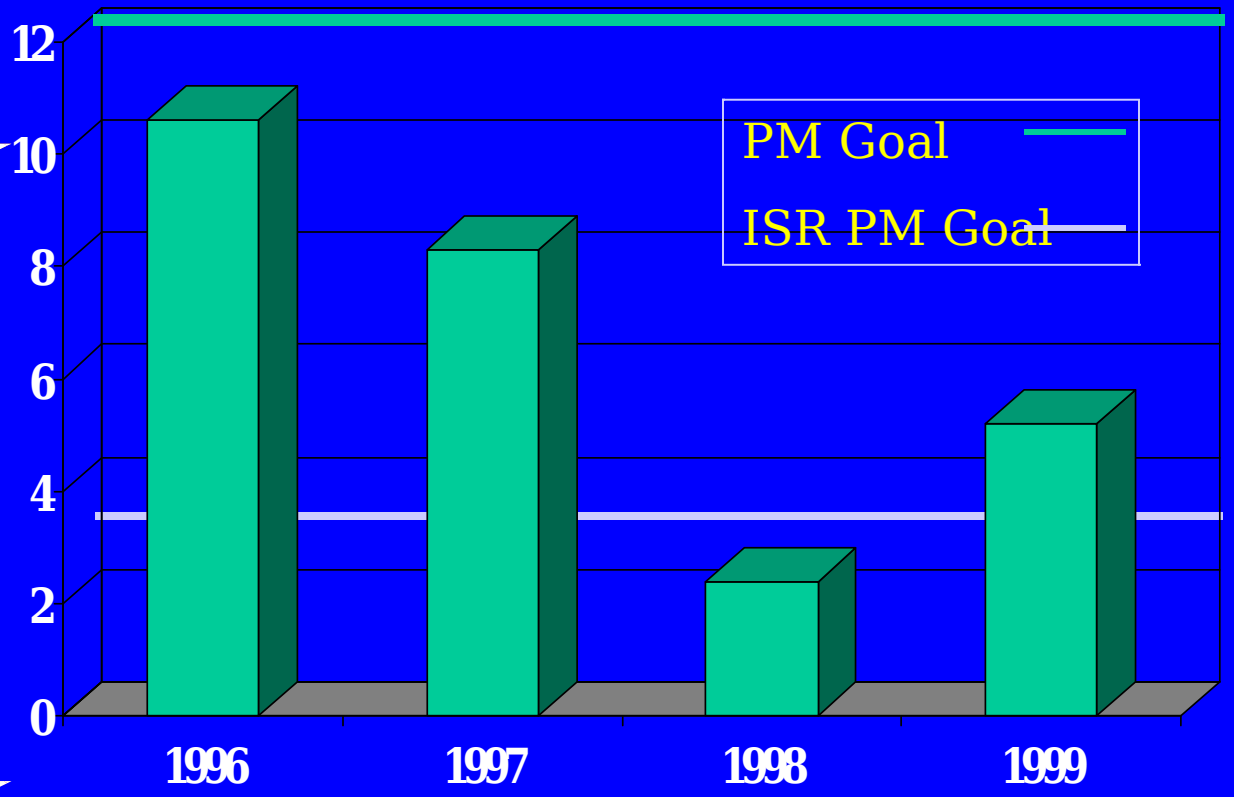


Production Time

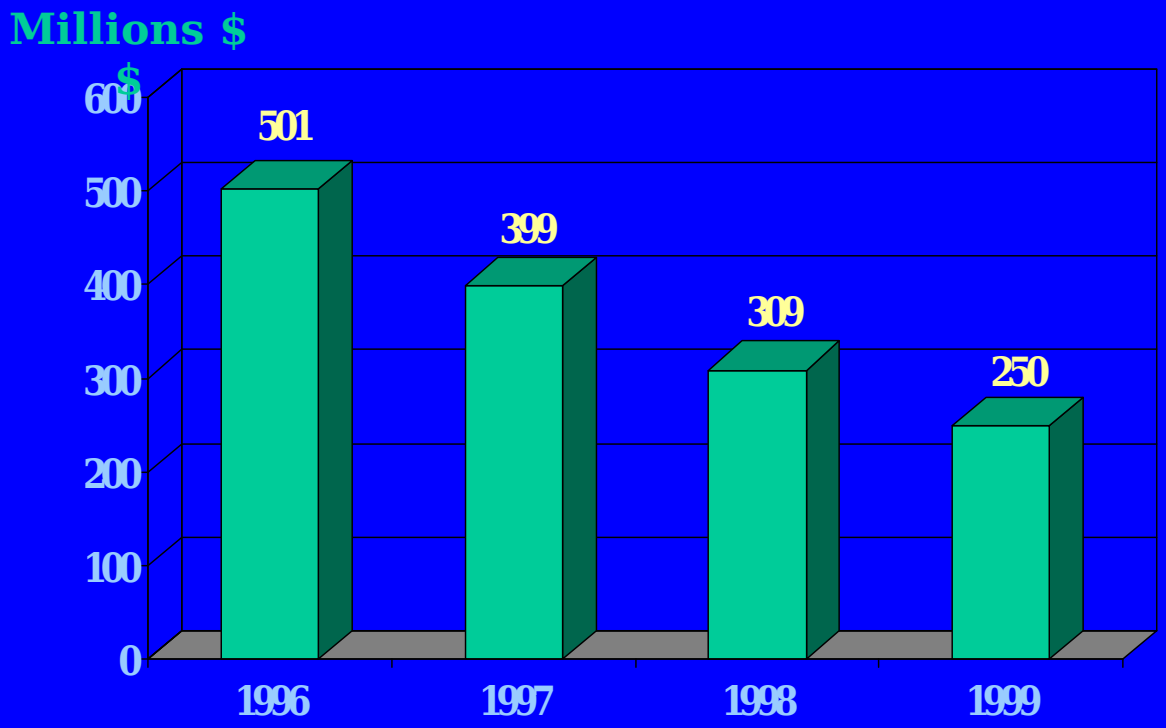
- Direct Auditor Days Per Engagement Have Been Reduced 74%



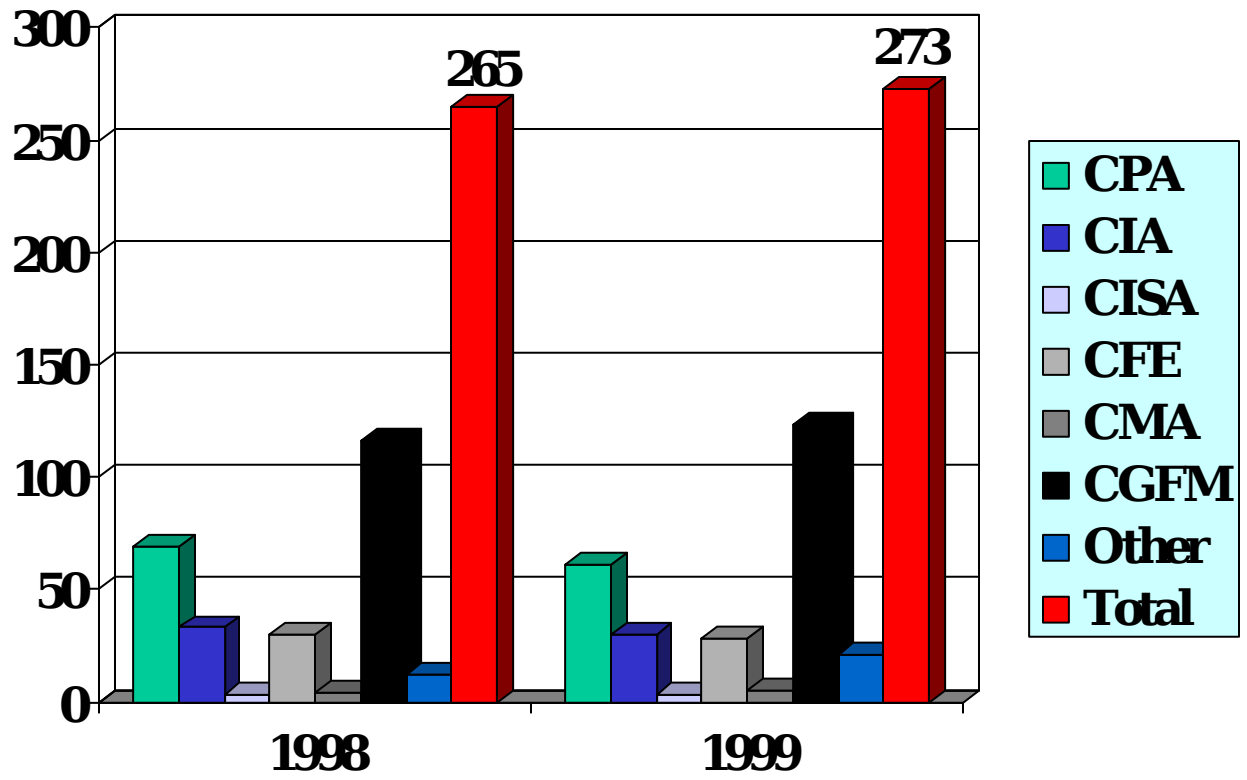
Sustain a Return of Investment of at least 12 to 1 - 3 to 1



Actual Savings Reported

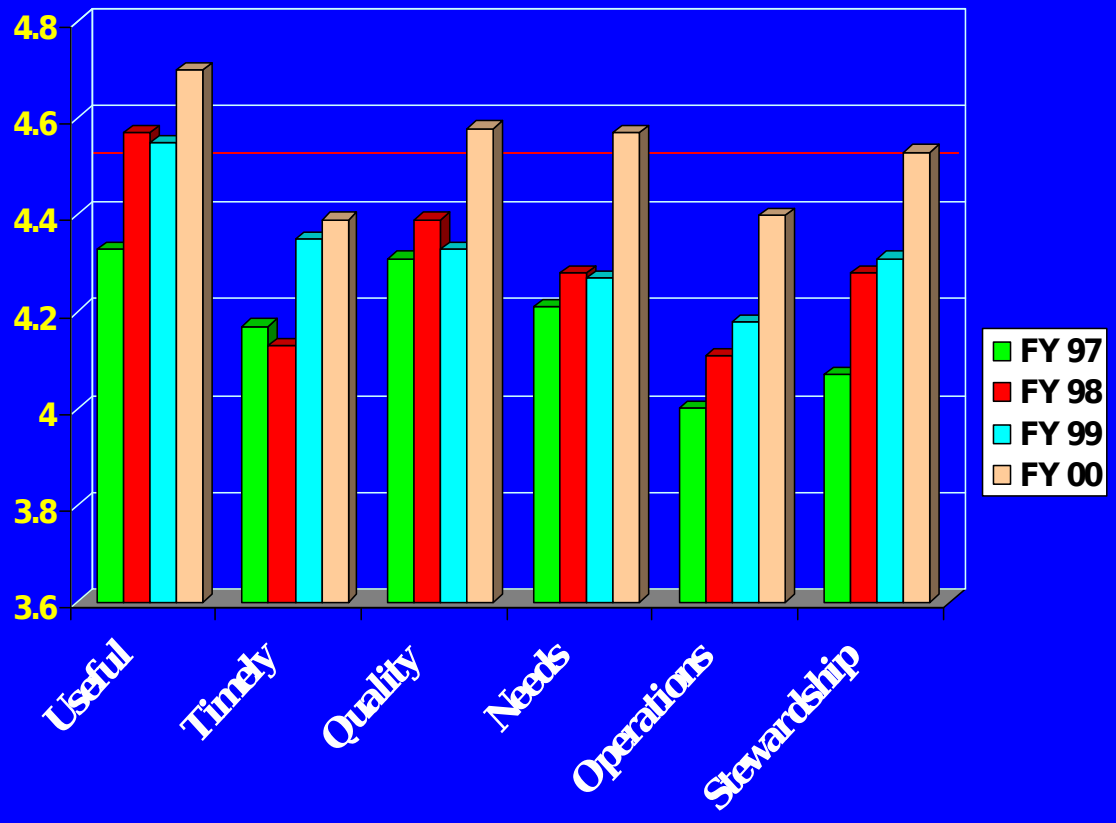


Certifications



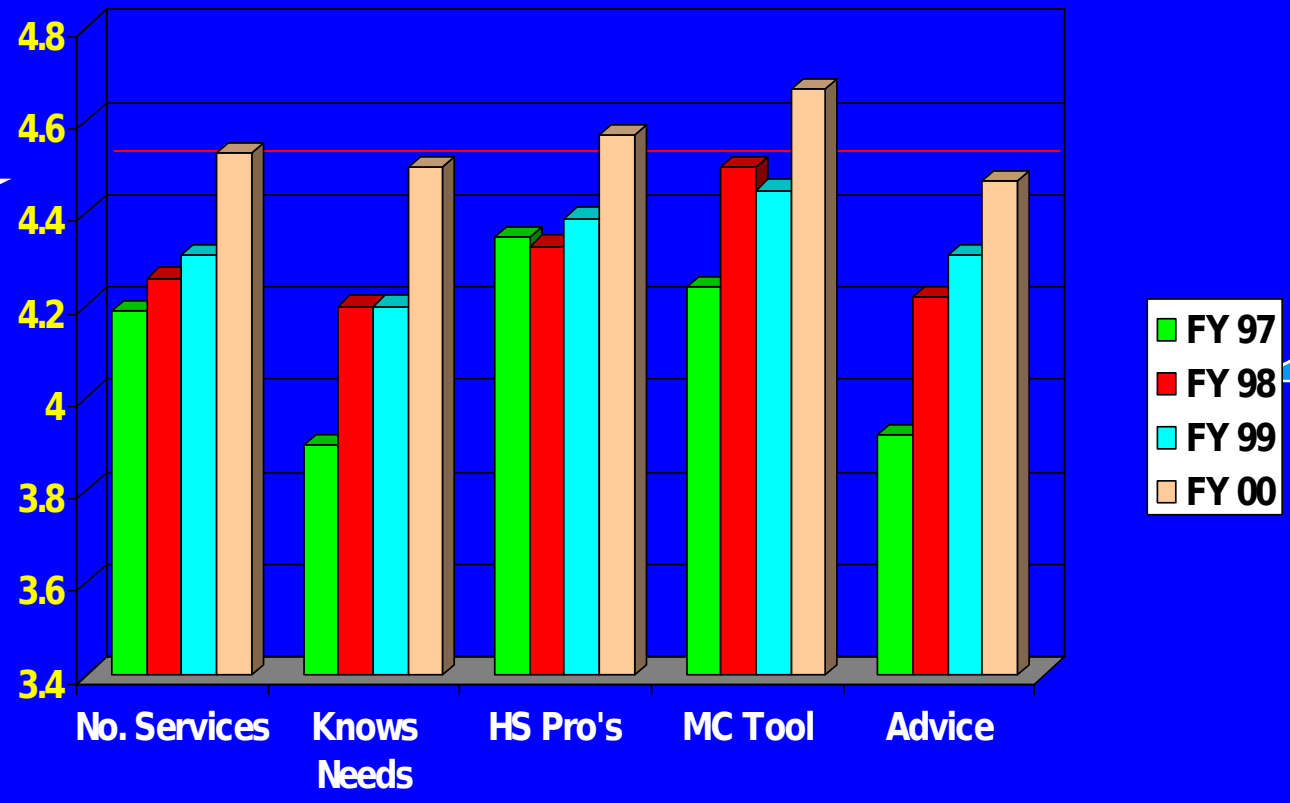
FY00 Customer Survey Results

IR Products and Services



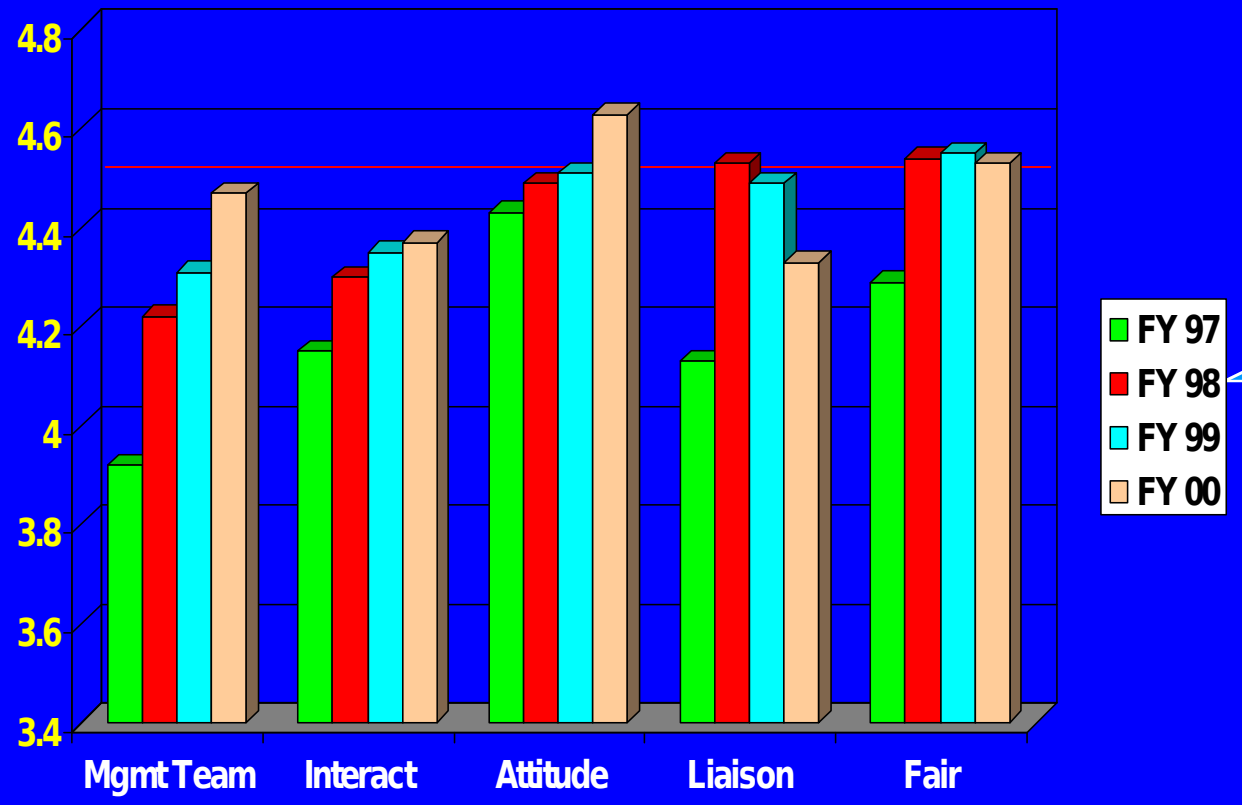
Y00 Customer Survey Results

The IR Office



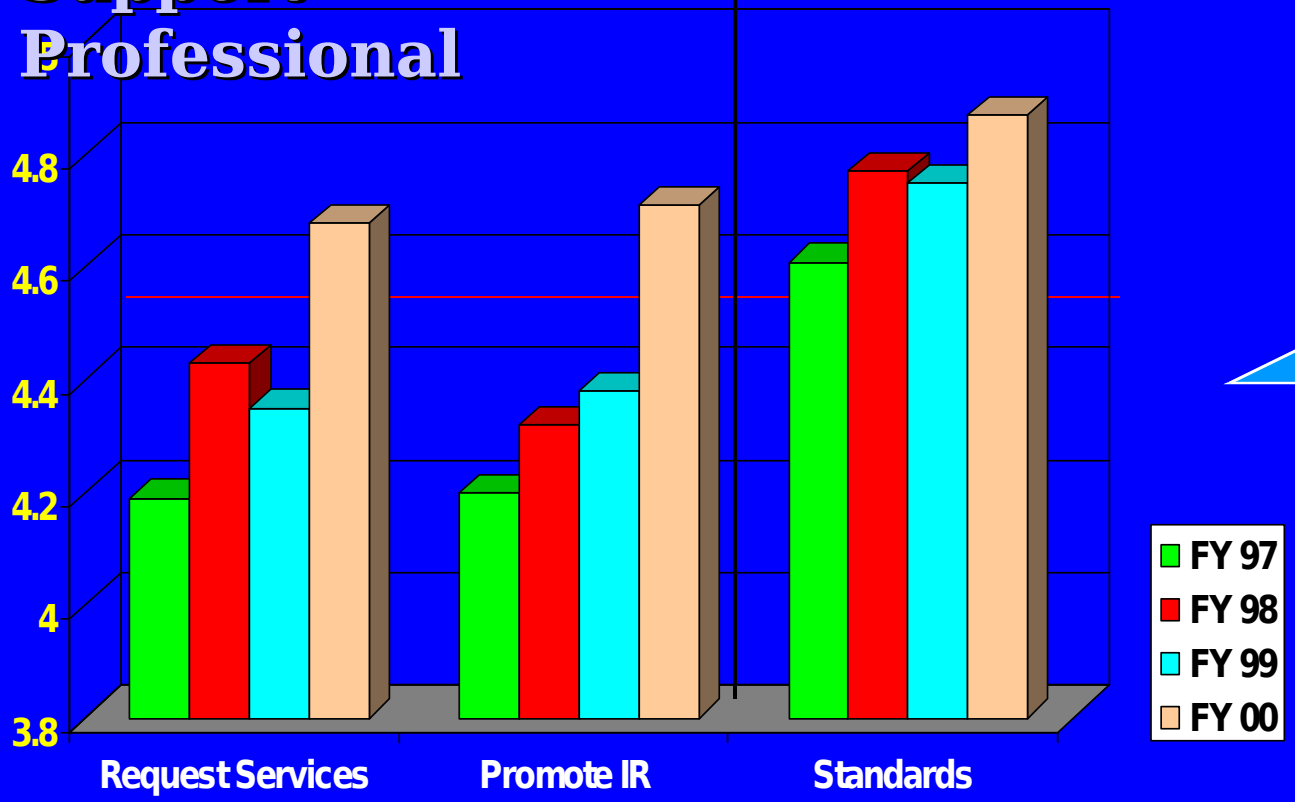
00 Customer Survey Results

Internal Review Auditors



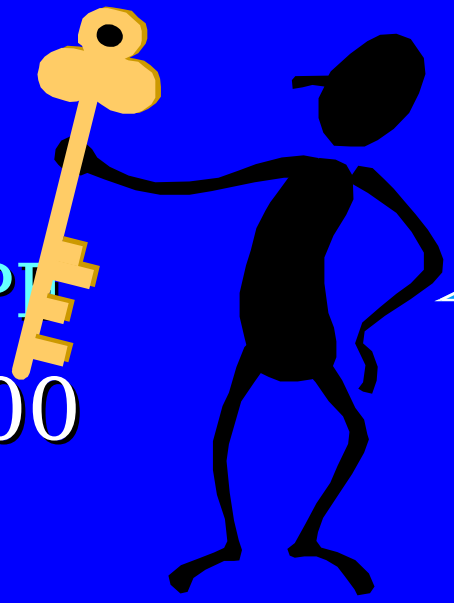
FY00 Customer Survey Results

In the future, I will Support Professional

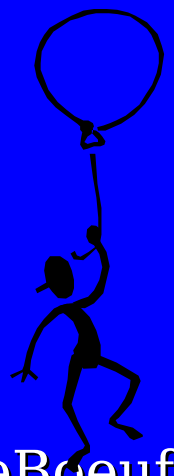


IR Training Symposium

- Annual Training Event
  - 1 week
  - 400 Attendees
  - 12,000 hours of CPE
- 21 - 25 August 2000
- Scottsdale, AZ
- Host - AZ National Guard



Agenda



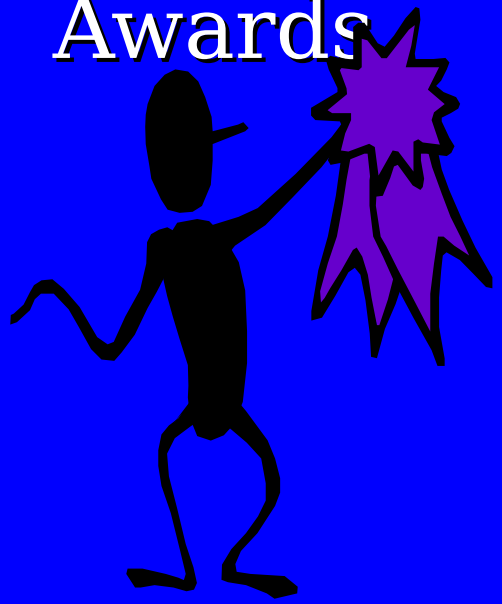
- Keynote Address - Mrs. McCoy
- Future Needs - Gene Reardon
- Digital Army of the Future - Col LeBoeuf
- Control Self Assessment - IIA
- Out-of-the-Box Auditing - AKNG
- IRSG Update - John Templeton
- The Future of Business Technology - Intel Corp
- Career Planning & Prof Dev - Terry Placek
- Excellence Doesn’t Come Easy - Mr. Gregory

Breakouts

- Control Self Assessment - Tim Gariboldi
- CFO Auditing - John Templeton
- Fiscal Law - Matt Reres
- Communications - Daniel Jones
- High Tech Auditing - Rich Donahue

Awards Banquet

- LTG Ballard - Speaker
- Excellence in Auditing Awards



Where Do We Go From Here?

- Continue to Offer a Full Array of Professional Audit Services
  - Modeled after private sector
  - Benchmarked Against Industry Standards
- Strategic Planning PAT - May/June 2000
  - Young auditors
  - Customers included
- Survive Army's Cannibalistic Period????